

FEDERAL ELECTION COMMISSION

RECEIVED

In the matter of:

2015 FEB 26 PM 1:40.

Aaron Schock
Schock for Congress
GOP Generation Y Fund
Schock Victory Committee
Paul Kilgore, Treasurer, Schock for Congress, GOP Generation Y Fund and
Schock Victory Committee

MUR No.

FEC MAIL CENTER

6918

OFFICE OF THE
COMMISSIONER

2015 FEB 26 PM 2:02

RECEIVED
FEDERAL ELECTION
COMMISSION

COMPLAINT

1. Citizens for Responsibility and Ethics in Washington ("CREW") and Anne L. Weismann bring this complaint before the Federal Election Commission ("FEC") seeking an immediate investigation and enforcement action against Rep. Aaron Schock (R-IL), Schock for Congress, GOP Generation Y Fund, Schock Victory Committee, and Paul Kilgore for direct and serious violations of the Federal Election Campaign Act ("FECA").

Complainants

2. Complainant CREW is a non-profit corporation, organized under section 501(c)(3) of the Internal Revenue Code. CREW is committed to protecting the right of citizens to be informed about the activities of government officials and to ensuring the integrity of government officials. CREW seeks to empower citizens to have an influential voice in government decisions and in the governmental decision-making process. CREW uses a combination of research, litigation, and advocacy to advance its mission.

3. In furtherance of its mission, CREW seeks to expose unethical and illegal conduct by those involved in government. One way CREW does this is by educating citizens regarding the integrity of the electoral process and our system of government. Toward this end, CREW monitors the campaign finance activities of those who run for federal office and those who make expenditures to influence federal elections, and publicizes those who violate federal campaign

16044490414

100044490015

finance laws through its website, press releases, and other methods of distribution. CREW also files complaints with the FEC when it discovers violations of the FECA. Publicizing campaign finance violations and filing complaints with the FEC serve CREW's mission of keeping the public informed about individuals and entities that violate campaign finance laws and deterring future violations of campaign finance law.

4. Complainant Anne L. Weismann is the interim executive director and chief counsel of Citizens for Responsibility and Ethics in Washington, a citizen of the United States, and a registered voter and resident of Maryland. Both as a voter and as part of her responsibilities for CREW, Ms. Weismann is committed to ensuring the integrity of federal elections and the campaign finance requirements of the FECA. To that end, Ms. Weismann reviews campaign finance filings and media reports to determine whether candidates and political committees comply with the requirements of the FECA.

5. When CREW and Ms. Weismann discover a violation of the FECA, they submit complaints against violators pursuant to their rights under the FECA. 2 U.S.C. § 437g(a)(1). CREW and Ms. Weismann rely on the FEC to comply with the FEC when making its enforcement decisions because the FEC is the exclusive civil enforcement authority for violations of the FECA. 2 U.S.C. § 437d(e). CREW and Ms. Weismann are injured if the FEC dismisses their complaints contrary to the FECA.

6. In addition, in order to assess whether an individual, candidate, political committee, or other regulated entity is complying with federal campaign finance law, CREW needs the information contained in receipts and disbursements disclosure reports political committees must file pursuant to the FECA, 52 U.S.C. § 30104(a); 11 C.F.R. § 104.1. CREW is

hindered in its programmatic activity when an individual, candidate, political committee, or other regulated entity fails to disclose campaign finance information in reports required by the FECA.

7. CREW relies on the FEC's proper administration of the FECA's reporting requirements because the FECA-mandated disclosure reports are the only source of information CREW can use to determine if an individual or entity is complying with the FECA. The proper administration of the FECA's reporting requirements includes mandating that all disclosure reports required by the FECA are properly and timely filed with the FEC. CREW is hindered in its programmatic activity when the FEC fails to properly administer the FECA's reporting requirements.

8. Ms. Weismann also is entitled to receive information contained in disclosure reports required by the FECA, 52 U.S.C. § 30104(a); 11 C.F.R. § 104.1. Ms. Weismann is harmed when an individual, candidate, political committee or other entity fails to report campaign finance activity as required by the FECA. *See FEC v. Akins*, 524 U.S. 11, 19 (1998), *quoting Buckley v. Valeo*, 424 U.S. 1, 66-67 (1976) (political committees must disclose contributors and disbursements to help voters understand who provides which candidates with financial support). Ms. Weismann is further harmed when the FEC fails to properly administer the FECA's reporting requirements, limiting her ability to review campaign finance information.

Respondents

9. Rep. Schock is a member of the House of Representatives, and was a candidate for the House at all relevant times.

10. Schock for Congress ("SFC") is Rep. Schock's principal campaign committee.

11. GOP Generation Y Fund ("Generation Y") is a leadership political action committee sponsored by Rep. Schock.¹

12. Schock Victory Committee ("SVC") is a joint fundraising committee that at all relevant times was a joint fundraising representative of SFC,² and was designated by Rep. Schock as an authorized committee for his candidacies.³

13. Mr. Kilgore is the treasurer of SFC, Generation Y, and SVC.

Factual allegations

14. Between 2012 and 2014, Rep. Schock took dozens of flights on non-commercial aircraft. SVC and Generation Y paid for many of those flights, and it appears Rep. Schock took other flights but did not pay for them.

15. Specifically, Rep. Schock's leadership PAC, Generation Y, made five disbursements in 2012 and 2013 for "PAC Airfare," totaling \$5,887.80, to Lobair LLC.⁴ Rep. Schock's joint fundraising committee, SVC, also made a \$2,826.63 disbursement for "JFC Airfare" to Lobair in 2014.⁵

¹ GOP Generation Y Fund, FEC Form 1, Statement of Organization, Amended, August 21, 2014, available at <http://docquery.fec.gov/pdf/311/14950084311/14950084311.pdf>.

² Schock Victory Committee, FEC Form 1, Statement of Organization, February 20, 2015, available at <http://docquery.fec.gov/pdf/202/15950809202/15950809202.pdf>.

³ Aaron Jon Schock, FEC Form 2, Statement of Candidacy for 2012 election, November 23, 2010, available at <http://docquery.fec.gov/pdf/515/10991869515/10991869515.pdf>; Aaron Jon Schock, FEC Form 2, Statement of Candidacy for 2014 election, December 11, 2012, available at <http://docquery.fec.gov/pdf/515/10991869515/10991869515.pdf>.

⁴ See GOP Generation Y Fund, FEC Form 3X, 2012 September Monthly Report, September 18, 2012, available at <http://docquery.fec.gov/pdf/092/12972185092/12972185092.pdf>; GOP Generation Y Fund, FEC Form 3X, 2012 Post-General Report, December 6, 2012, available at <http://docquery.fec.gov/pdf/518/12962899518/12962899518.pdf>; GOP Generation Y Fund, FEC Form 3X, 2013 February Monthly Report, February 12, 2013, available at <http://docquery.fec.gov/pdf/042/13960819042/13960819042.pdf>; GOP Generation Y Fund, FEC Form 3X, 2013 June Monthly Report, June 17, 2013, available at <http://docquery.fec.gov/pdf/864/13962860864/13962860864.pdf>.

⁵ See Schock Victory Committee, FEC Form 3X, 2014 April Quarterly Report, April 15, 2014, available at <http://docquery.fec.gov/pdf/452/14960742452/14960742452.pdf>; Gillum and Braun, *Associated Press*, February 23, 2015.

199044460417

16. According to *USA Today*, Federal Aviation Administration ("FAA") records show Lobair is not a commercial charter service and the single plane it owns is not registered for commercial use.⁶ Instead, Lobair consists of a single Cessna airplane owned in part by Mike Miller of Mike Miller Auto Park in Peoria, Illinois.⁷ CREW's search of the FAA database of aircraft operators for "Lobair" revealed no registration for the company as a commercial charter service or for commercial use.⁸

17. Generation Y further made two disbursements in 2012 for "PAC Airfare," totaling \$3,391.16, to D & B Jet.⁹

18. CREW found no registration in FAA records for D & B Jet as a commercial or charter operator. According to records of the Illinois Secretary of State, the president and agent of D & B Jet, Inc. is Darren R. Frye,¹⁰ who along with his wife is a major contributor to Rep. Schock's campaign.¹¹

⁶ Paul Singer, *Rep. Schock's Flights May Violate House Rules*, *USA Today*, February 19, 2015, available at <http://www.usatoday.com/story/news/politics/2015/02/19/schock-flights-charter-house-rules/23663247/>.

⁷ *Id.*

⁸ Commercial operators are registered under FAR 135. See <http://www.aviationdb.com/Aviation/AirOperatorQuery.shtml#SUBMIT>. For its search CREW used the AviationDB web service, available at <http://www.aviationdb.com/Aviation/AirOperatorQuery.shtml>, and downloaded and searched the "Air Operators" databases maintained on the FAA's website, available at http://av-info.faa.gov/dd_sublevel.asp?Folder=%5CAirOperators, for "Lobair" under FAR 135. None of these searches uncovered a commercial registration for Lobair.

⁹ See GOP Generation Y Fund, *FEC Form 3X, 2012 Pre-General Report*, October 25, 2012, available at <http://docquery.fec.gov/pdf/989/12940438989/12940438989.pdf>; GOP Generation Y Fund, *FEC Form 3X, Post-General Report*, December 6, 2012, available at <http://docquery.fec.gov/pdf/518/12962899518/12962899518.pdf>.

¹⁰ See <http://www.ilsos.gov/corporatellc/CorporateLlcController>.

¹¹ Jack Gillum and Stephen Braun, *Lawmaker With Lavish Décor Billed Private Planes, Concerts*, *Associated Press*, February 23, 2015, available at <http://bigstory.ap.org/article/e2f1f52c3eb34caca7d74e5bf90f27f9/lawmaker-lavish-decor-billed-private-planes-concerts>. See also Schock for Congress, *FEC Form 3, July 2008 Quarterly Report, Amended*, October 29, 2009, available at <http://docquery.fec.gov/pdf/945/29993303945/29993303945.pdf>; Schock for Congress, *FEC Form 3, October 2008 Quarterly Report, Amended*, October 29, 2009, available at <http://docquery.fec.gov/pdf/842/29935394842/29935394842.pdf>; *FEC Form 3, 2010 Pre-Primary Report*, January 21, 2010, available at <http://docquery.fec.gov/pdf/407/10990124407/10990124407.pdf>; Schock for Congress, *FEC Form 3, 2010 Post-General Report, Amended*, April 12, 2011, available at <http://docquery.fec.gov/pdf/253/11930642253/11930642253.pdf>; Schock for Congress, *FEC Form 3, 2011 April Quarterly Report, Amended*, May 9, 2011, available at <http://docquery.fec.gov/pdf/227/11931306227/11931306227.pdf>; Schock for Congress, *FEC Form 3, 2013 April Quarterly Report*, April 15, 2013, available at <http://docquery.fec.gov/pdf/691/13940543691/13940543691.pdf>.

19. D & B Jet reportedly has a relationship with Jet Air, Inc., an aviation firm licensed by the FAA for commercial operations.¹² According to the *Associated Press*, D & B Jet's plane sometimes is used as a charter for Jet Air, Inc.¹³ It does not appear, however, that Rep. Schock's payments for use of the plane were for that charter service. The owner of Jet Air, Inc., Harrel W. Timmons, told the *Associated Press* that while D & B Jet has its own pilot and corporate jet, "any charter flights D & B flies through [Mr. Timmons'] firm are paid directly to Jet Air," suggesting payments made directly to D & B were not for charter flights.¹⁴

20. The *Associated Press* also reported that based on certain metadata associated with pictures and videos Rep. Schock posted on his Instagram account, it appears Rep. Schock took flights on planes owned by a company managed by Todd Green, the brother of Schock campaign contributor Jeff Green.¹⁵ According to the *Associated Press*, "Green's plane traveled to at least eight cities last October [2014] in the Midwest and East Coast, cities where Schock met with political candidates ahead of the midterm elections. His Instagram account's location data and information from the service FlightAware even pinpointed Schock's location on a stretch of road near one airport before Green's plane departed."¹⁶ As a result, it appears Rep. Schock took these flights on behalf of his candidacy, authorized committees, or leadership PAC.

21. FAA and Illinois state records demonstrate the plane on which Rep. Schock appears to have flown is owned by a company, TC Investment 3, LLC, that is owned by Todd Green.¹⁷

¹² See <http://www.aviationdh.com/Aviation/AirOperatorQuery.shtm#SUBMIT>; <http://www.jetairinc.com/charter.html>.

¹³ Gillum and Braun, *Associated Press*, Feb. 23, 2015.

¹⁴ *Id.*

¹⁵ *Id.*

¹⁶ *Id.*

¹⁷ See Federal Aviation Administration, *FAA Registry N-Number Inquiry Results for N8GE*, available at http://registry.faa.gov/aircraftinquiry/NNum_Results.aspx?NNumbertxt=N8GE; TC Investment 3, LLC, *LLC File Detail Report*, Secretary of State, Springfield, Illinois, available at <http://www.ilsos.gov/corporatellc/Corporate>

10044460419

22. SFC, Generation Y, and SVC did not report any disbursements to TC Investment 3 or Mr. Green for these flights.

Count I

23. The FECA and FEC regulations prohibit candidates for the House, their authorized committees, and their leadership PACs from making any expenditure of campaign funds for a domestic flight on an aircraft unless the aircraft is operated by an air carrier or commercial operator certificated by the Federal Aviation Administration, and the flight is required to be conducted under carrier safety rules. 52 U.S.C. § 30114(c)(2); 11 C.F.R. §§ 100.93(c)(2), 113.5(b). FEC regulations specifically provide House candidates are “prohibited from non-commercial travel on behalf of any such candidate or any authorized committee or leadership PAC of such candidate.” 11 C.F.R. § 100.93(c)(2).

24. The only exceptions to this prohibition are for non-commercial flights on aircraft provided by federal, state, or local governments, and aircraft leased or owned by the candidate or the candidate’s immediate family member. 52 U.S.C. §§ 30114(c)(2)-(3); 11 C.F.R. §§ 100.93(e), (g). Immediate family member is defined as a candidate’s father, mother, son, daughter, brother, sister, husband, wife, father-in-law, or mother-in-law. 52 U.S.C. § 30114(c)(3)(B); 11 C.F.R. § 100.93(g)(4).

25. Rep. Schock’s leadership PAC, Generation Y, paid Lobair \$5,887.80 for airfare between September 2012 and June 2013, and another \$3,391.16 to D & B Jet for airfare in October and November 2012, all while Rep. Schock was a candidate for the House. Rep. Schock’s authorized committee, SVC, also paid Lobair \$2,826.63 for airfare in April 2014, again

while Rep. Schock was a candidate for the House. Rep. Schock appears to have flown on these flights.

26. Rep. Schock also appears to have flown repeatedly on behalf of his candidacy, authorized committees, or leadership PAC on an aircraft owned by TC Investment 3.

27. Lobair is not an air carrier or commercial operator certificated by the FAA or a government entity, and its aircraft do not appear to be owned or leased by a member of Rep. Schock's immediate family. D & B Jet also is not an air carrier or commercial operator certificated by the FAA or a government entity, and its aircraft do not appear to be owned or leased by a member of Rep. Schock's immediate family. Although D & B Jet's airplane sometimes is used as a charter for another company, the flights Rep. Schock took do not appear to have been charter flights. TC Investment 3 similarly is not an air carrier or commercial operator certificated by the Federal Aviation Administration or a government entity, and its aircraft do not appear to be owned or leased by a member of Rep. Schock's immediate family.

28. By making expenditures to Lobair and D & B Jet for flights, Generation Y and SVC violated 52 U.S.C. § 30114(c)(2) and 11 C.F.R. §§ 100.93(c)(2), 113.5(b). Relatedly, by taking prohibited non-commercial flights on aircraft owned by Lobair, D & B Jet, and TC Investment 3, Rep. Schock violated 52 U.S.C. § 30114(c)(2) and 11 C.F.R. § 100.93(c)(2).

Count II

29. The FECA and FEC regulations require political committees to file periodic reports disclosing all contributions aggregating more than \$200 in a year from persons other than political committees, and identifying the contributors. 52 U.S.C. § 30104(b)(2)(A); 11 C.F.R. § 104.1(a)(4)(i). Contributions are defined to include gifts of "anything of value made by any

13044460421

160444604222
person for the purpose of influencing any election for Federal office," including "all in-kind contributions" of goods or services. 52 U.S.C. § 30101(8)(A)(i); 11 C.F.R. §§ 100.52(a), (d)(1).

30. Rep. Schock appears to have flown repeatedly on behalf of his candidacy, authorized committees, or leadership PAC on an aircraft owned by TC Investment 3.

31. It does not appear SFC, Generation Y, or SVC made any disbursements to TC Investment 3.

32. If Rep. Schock took any flights on behalf of his candidacy, authorized committees, or leadership PAC on an aircraft owned by TC Investment 3, and none of his political committees paid for the flights, those flights were in-kind contributions to one or more of his political committees.

33. If SFC, Generation Y, or SVC failed to disclose any in-kind contributions in the form of flights from TC Investment 3, one or more of these political committees may have violated 52 U.S.C. § 30104(b)(2)(A) and 11 C.F.R. § 104.1(a)(4)(i).

Count III

34. For the 2014 election cycle, the FECA prohibited candidates and authorized committees from receiving more than \$2,600 per election from any person. 52 U.S.C. §§ 30116(a)(1)(A), 30116(f); Contribution Limits for 2013-2014, *available at* <http://www.fec.gov/info/contriblimitschart1314.pdf>. The FECA prohibited leadership PACs from receiving more than \$5,000 per year. *Id.*

35. If Rep. Schock took any flights on behalf of his candidacy, authorized committees, or leadership PAC on an aircraft owned by TC Investment 3, and none of his political committees paid for the flights, those flights were in-kind contributions to one or more of his political committees.

36. If the value of those in-kind contributions to SFC or SVC was greater than \$2,600 per election, or their value to Generation Y was greater than \$5,000 per year, one or more of Rep. Schock's political committees may have violated 52 U.S.C. §§ 30116(a)(1), 30116(f).

Conclusion

WHEREFORE, Citizens for Responsibility and Ethics in Washington and Anne L. Weismann request that the FEC conduct an investigation into these allegations, declare the respondents to have violated the FECA and applicable FEC regulations, impose sanctions appropriate to these violations and take such further action as may be appropriate, including referring this case to the Department of Justice for criminal prosecution.

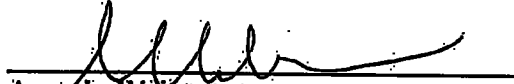

ON BEHALF OF COMPLAINANTS

Anne L. Weismann
Interim Executive Director
Citizens for Responsibility and Ethics in
Washington
455 Massachusetts Ave., NW, Sixth Floor
Washington, D.C. 20001
(202) 408-5565 (phone)
(202) 588-5020 (fax)

Verification

Citizens for Responsibility and Ethics in Washington and Anne L. Weismann hereby
verify that the statements made in the attached Complaint are, upon information and belief, true.

Sworn pursuant to 18 U.S.C. § 1001.


Anne L. Weismann



Sworn to and subscribed before me this 25th day of February, 2014.


Notary Public

10047460424